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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995

International Computing Centre: 1994-1995 budget estimates

Report of the Secretary-General

I. OVERVIEW

1. The establishment of the International Computing Centre (ICC) was authorized by the General Assembly in its resolution 2741 (XXV) of 17 December 1970 following the report prepared by the Auditor-General of Canada, at the request of the Administrative Committee on Coordination (ACC), on electronic data-processing in the United Nations family of organizations (A/8072). The central recommendation in that report was for the establishment of a separate data-processing facility in Europe on an interorganizational basis. ICC thus became operational on 1 March 1971 with the United Nations, the United Nations Development Programme (UNDP) and the World Health Organization (WHO) initially participating fully in a common data-processing facility which was set up at the premises of the WHO at Geneva. Compared to the participation of 3 members in 1971, the number of current participating organizations is 21, with practically all organizations in the United Nations system at Geneva sharing a common data-processing facility.

2. As an inter-agency organization, the day-to-day operation of ICC is directed by a Management Committee, composed of representatives of the executive heads of each participating organization and the Director of ICC, who reports to the Management Committee. The decision-making process is by consensus.

3. Following its consideration of the report of the Secretary-General on electronic data-processing and information systems in the United Nations (A/C.5/31/3), the Advisory Committee on Administrative and Budgetary Questions (ACABQ), noting that under the arrangements at that time the budget of ICC was not subject to scrutiny by any intergovernmental organ and bearing in mind the provisions of Article 17 of the Charter of the United Nations, recommended that

future budgets of ICC should be subject to review and approval by the General Assembly. That recommendation was endorsed by the General Assembly, in section III of its resolution 31/208 of 22 December 1976. Pursuant to that resolution, the annual budget estimates of ICC, have been submitted for review and approval of the General Assembly in accordance with the procedure laid down by the General Assembly.

4. At its sixty-fifth session held in September 1986 the Consultative Committee on Administrative Questions (CCAQ) of ACC proposed to the Management Committee of ICC that it consider the possibility of a complete presentation of budget estimates in Swiss francs, the currency in which a large part of the expenditures of ICC are actually incurred, in order to facilitate a meaningful analysis of real growth in the services provided. Subsequently, while the presentation by ICC of its annual budget estimates complied with that proposal, those estimates have, for their submission to the General Assembly, been converted to United States dollars and have been revised in order to conform to the programme budget format of the United Nations.

5. At its session held on 1 and 2 October 1992, the ICC Management Committee considered the possible biennialization of the ICC budget and agreed that such a procedure was feasible. Accordingly, the 1994-1995 budget estimates for ICC, summarized below, are the first biennial presentation of the overall estimates of the Centre. These proposals were presented for review to CCAQ (Financial and Budgetary Questions) at its seventy-ninth session, held in Montreal from 30 August to 3 September 1993. The introduction by the Director of the Centre pointed out that the 1994-1995 budget estimates had not yet been examined by the ICC Management Committee, which might wish to recommend additional resources. The current estimates, therefore, reflect a cost structure based on established services and contain no provision for new developments. On the basis of the level of resources budgeted, which resulted from requests for services received from participating organizations, CCAQ had no objections to the proposals. However, it expressed the desire to return, at its next session, to the question of the resources proposed if that level should change as a result of action in the Management Committee or of the decisions to be taken by ACC on interorganization information activities. Following questions raised by some of the members of CCAQ on the costing of the ICC budget estimates, CCAQ requested WHO to assume responsibility for the technical review of future proposals by the Centre before their release. WHO agreed to do so.

6. On 23 and 24 September 1993, the budget estimates of ICC for 1994-1995 were discussed by the Management Committee, at its meeting held in Geneva. Although the funding estimates for 1994-1995 (see table 3), reflecting a cost structure based on established services, have been approved in principle by the participating organizations, a number of those organizations indicated that they were revising their funding estimates to reflect a programme of work for new activities and services required from ICC. ICC estimates that these additional activities and services, which it would be expected to provide in 1994, would increase the 1994 budget by approximately 2 million Swiss francs.

7. Pending the revision of those estimates, the 1994-1995 budget estimates of ICC were calculated from current projections by the participating organizations of the level of services which they require and which ICC is obligated to provide. As such, these estimates also form part of the participating

organizations' budgets and have been reviewed or are subject to final review by the governing bodies of the participating organizations. Users of ICC include the following participating organizations: United Nations; United Nations Environment Programme (UNEP); Office of the United Nations High Commissioner for Refugees (UNHCR); United Nations Children's Fund (UNICEF); UNDP; United Nations Research Institute for Social Development (UNRISD); World Food Programme (WFP); International Labour Organization (ILO); United Nations Educational, Scientific and Cultural Organization (UNESCO); World Health Organization (WHO); World Meteorological Organization (WMO); World Intellectual Property Organization (WIPO); General Agreement on Tariffs and Trade (GATT); International Trade Centre UNCTAD/GATT (ITC); World Bank; International Monetary Fund (IMF); United Nations Industrial Development Organization (UNIDO); Industrial Fund for Agricultural Development (IFAD); Food and Agriculture Organization of the United Nations (FAO); International Atomic Energy Agency (IAEA); and International Maritime Organization (IMO). In addition, non-participant users of ICC include national Governments; non-governmental and intergovernmental organizations with consultative status with the United Nations or one of its specialized agencies; inter-agency bodies such as CCAQ and the Advisory Committee for the Coordination of Information Systems (ACCIS); and other educational and research organizations.

8. During the 1994-1995 biennium, special focus would be placed on the standardization of the Centre's software operating environment, which conforms to international and industry standards. This would allow for an easy upgrade to new versions of application software packages; facilitate the management of the Centre by minimizing specialized and customized components of the operating environment; provide increased compatibility among major computer facilities in the common system; and establish a platform for better utilization of and accessibility to the United Nations informatics systems by member States. Efforts would also be directed to the setting up of a network environment that would allow easy connectivity of both participants' and member States' facilities to communicate with each other and strengthen the access control as the Centre's facilities are being accessed by more users. In accordance with the needs of participating organizations, the Centre would provide tools for system integration; support the implementation of additional systems through the Centre; and provide the necessary support to a directory of databases to facilitate the retrieval of information from various databases in the United Nations system of organizations.

II. 1994-1995 BUDGET ESTIMATES

9. In section V of resolution 47/219 of 23 December 1992, the General Assembly requested that future budgets of the Centre be presented in a format consistent with the unique nature of the Centre. As indicated in paragraph 6 above, the 1994-1995 budget estimates of ICC were calculated on the basis of projections by participating organizations. These are based on the actual requirements of each of these organizations and on information on their work programmes for 1994-1995. Upon receipt of the various estimates of probable usage by the participating organizations, ICC translates the projected demand for its services into the physical resources required to meet the demand and, by grouping expenditures on similar resources, ICC's budget by category of expenditure is developed. The costing of the Centre's projected financial

requirements for the 1994-1995 biennium is thus based on these workload projections and actual costs of the related physical requirements of ICC in Geneva in Swiss francs. Since these requirements are estimated in Swiss francs, the summary of 1994-1995 estimates shown in table 1 below, are now presented in Swiss francs, i.e., the currency in which ICC usage is estimated. The presentation of the budget estimates in Swiss francs should allow for a more meaningful analysis of real growth in the requirements of the Centre and address the request of the General Assembly in its resolution 47/219. For comparative purposes, the dollar equivalent for 1992-1993 as approved by the General Assembly in its resolutions 46/186 and 47/219 and the dollar conversion of the 1994-1995 estimates in Swiss francs submitted for approval of the General Assembly at this session are also presented in table 1. Table 2 contains the post requirements of the Centre.

10. The 1994-1995 budget estimates given in table 1 above were arrived at in accordance with the new budget format and methodology used in the presentation of the proposed programme budget for the 1994-1995 biennium. As shown in table 1, the 1994-1995 estimates amount to SwF 36,142,600 (or $25,099,000 based on an exchange rate of SwF 1.44 to the dollar). Growth is calculated by comparing the 1994-1995 requirements, exclusive of recosting, to the 1992-1993 approved budget.

11. For the purpose of costing their probable usage of ICC services, the participating organizations are provided with the rates agreed to by the ICC Management Committee. Table 3 shows details on the probable use of ICC services in 1994-1995 as provided by the participating organizations. For comparative purposes, the actual funding for 1992 and the latest estimates of probable funding for 1993 are also shown in table 3. The budget level so estimated includes a residual income in the amount of SwF 700,000 designated as "Other funds". ICC indicates that the residual income would be received from non-participant organizations that use ICC facilities, for example, inter-agency bodies such as CCAQ and ACCIS, national Governments and intergovernmental bodies and also from those participants that exceed their stated usage.

12. The work of the participants ranges from well articulated projects to tentative undertakings for which they are currently unable to give precise estimates of the resources required. If the pattern that has evolved in the past is repeated, then, as a participant's work programme becomes more specific during the year, it will revise its funding of the various activities. The allocation of the 1994-1995 budget estimates by category of expenditure, contained in table 1 above, is summarized in the resource requirements indicated below.

Table 1. Summary of 1994-1995 estimates by object of expenditure

(In Swiss francs)

Object of expenditure	1992-1993 approved budget a/	In Swiss francs						1994-1995 estimates (SwF 1.44 to the United States dollar)
		1992-1993 ICC budget	Resource growth		Total before recosting	Recosting b/	1994-1995 estimates	
			Amount	Percentage				
	$	SwF	SwF		SwF	SwF	SwF	$
Staff and related costs	8 324.7	8 960 000	(1 003 772)	(11.2)	7 948 228	512 372	8 458 800	5 934.1
Duty travel	21.2	30 000	28 538	98.5	58 538	3 462	83 000	43.7
Contractual services	318.9	450 000	(248 420)	(55.2)	201 580	13 420	215 000	148.3
Equipment:								
Rental and maintenance	11 888.0	18 784 320	(2 982 710)	(17.8)	13 801 610	921 390	14 723 000	10 224.3
Purchase	905.3	1 280 000	(1 105 822)	(86.4)	174 378	25 822	200 000	138.9
Miscellaneous office and computer supplies	427.4	805 000	(190 331)	(31.5)	414 669	28 331	443 000	307.8
Accommodation	2 507.3	3 550 000	(1 010 122)	(28.5)	2 539 878	160 122	2 700 000	1 875.0
Telecommunications	1 191.8	1 700 000	1 038 261	80.9	2 738 261	139 739	2 878 000	1 998.5
Miscellaneous operating expenses	88.3	125 000	(68 825)	(53.3)	58 375	4 825	83 000	43.7
Software	2 721.8	3 850 000	965 958	25.1	4 815 958	296 044	5 112 000	3 550.1
Database searches	396.5	580 000	803 794	107.8	1 183 794	88 206	1 230 000	854.2
Technical literature	77.3	110 000	(53 207)	(48.4)	56 793	3 207	80 000	41.8
Total	28 843.3	37 994 320	(4 026 260)	(10.8)	33 988 080	2 174 540	38 142 800	25 099.0

a/ United Nations dollar equivalent in 1992 and in 1993 of ICC budget in Swiss francs, as approved by General Assembly resolutions 46/186, sect. I and 47/219, sect. V:

1992: 1.40 Swiss francs to the United States dollar
1993: 1.43 Swiss francs to the United States dollar.

b/ Recosting consists of the following:

(a) Recosting of 1992 approved budget:

(i) Reduction in requirements arising from adjustment in inflation (4 per cent, as approved by the General Assembly at its forty-seventh session, instead of 4.65 per cent, as used in the calculation of the 1992 budget estimates);

(ii) Additional requirements, representing 3.4 per cent inflation, to bring the 1992 budget to 1993 rates;

(b) Recosting of the 1993 approved budget reflecting a reduction in requirements resulting from revised inflation (3.4 per cent instead of 3.9 per cent);

(c) Provisions of 3.4 per cent per annum for inflation in 1994-1995.

Table 2. Post requirements

	1992-1993	1994-1995
Professional category and above		
D-2	1	1
D-1	0	0
P-5	2	2
P-4	4	4
P-3	3	5
P-2	6	4
P-2	0	0
Total	16	16
General Service category		
G-7	1	1
G-6	3	3
G-5	0	0
G-4	4	6
G-3	7	7
G-2	3	1
G-2	0	0
Total	18	18
Grand total	34	34

Table 3. 1994-1995 probable funding of ICC as estimated by participating organizations

Participating organization	1992 approved budget (A/C.5/46/6)	ICC budget 1992-1993			1994-1995 budget estimates			Percentage increase a/	United States dollars 1994-1995 b/
		Actual funding 1992	Estimated funding 1993 (A/C.5/47/24 & Corr. 1)	1992-1993 estimated funding (based on actual 1992 funding & 1993 estimates)	1994 estimated funding	1995 estimated funding	Total 1994-1995 estimated funding		
	SwF	SwF	SwF	SwF	SwF	SwF	SwF	%	$
United Nations	4 009 877	2 475 376	4 181 736	6 657 112	3 971 040	4 149 264	8 120 304	22.00	5 639 100
WHO	3 994 550	2 632 217	3 790 000	6 422 217	3 200 000	3 360 000	6 560 000	2.10	4 555 556
UNDP	65 360	73 255	76 000	149 255	79 800	83 790	163 590	9.60	113 604
UNICEF	99 653	144 362	115 000	259 362	18 500	19 000	37 500	(85.50)	26 042
ILO	274 500	335 418	388 683	724 101	446 428	409 889	856 317	18.30	594 665
WMO	69 000	47 501	75 000	122 501	78 750	82 688	161 438	31.80	112 110
UNRISD	4 590	6 306	10 364	16 670	12 220	13 360	25 580	53.40	17 764
UNEP	199 998	217 484	296 051	513 535	310 854	326 396	637 250	24.10	442 535
GATT	800 000	485 818	670 000	1 155 818	703 500	738 675	1 442 175	24.80	1 001 510
WIPO	1 795 706	1 405 933	2 350 738	3 756 671	2 303 365	2 582 956	4 886 321	30.10	3 393 278
UNESCO	57 000	48 433	70 592	119 025	59 444	62 240	121 684	2.20	84 503
ITC	419 566	411 893	623 000	1 034 893	555 434	598 415	1 153 849	11.50	801 284
UNHCR	3 344 876	2 977 024	3 929 201	6 906 225	3 698 792	3 267 265	6 966 057	0.90	4 837 540
WFP	2 264 800	1 665 009	2 285 000	3 950 009	1 673 800	1 590 000	3 263 800	(17.40)	2 266 528
World Bank	146 750	104 784	145 890	250 674	99 000	64 000	163 000	(35.00)	113 194
IFAD	366 416	333 942	303 000	636 942	363 000	371 000	734 000	15.20	509 722
UNIDO	29 000	2 012	5 226	7 238	13 875	14 178	28 053	287.60	19 481
IMF	3 665	1 207	3 000	4 207	2 000	3 000	5 000	18.80	3 472
FAO	15 000	48 569	50 674	99 243	51 572	51 891	103 463	4.30	71 849
IAEA	415	134	165	299	1 564	1 593	3 157	955.90	2 192
IMO	-	-	-	-	5 000	5 000	10 000	-	6 944
Total	17 960 722	13 416 677	19 369 320	32 785 997	17 647 938	17 794 600	35 442 538	8.10	24 612 873
Others	314 278	2 963 148	350 000	3 313 148	350 000	350 000	700 000	(78.90)	486 111
Total	18 275 000	16 379 825	19 719 320	36 099 145	17 997 938	18 144 600	36 142 538	0.10	25 098 984

a/ Reflects the rate of the difference between the 1994-1995 estimates and the 1992 actual funding and the 1993 estimated funding.

b/ Based on an exchange rate of SwF 1.44 to the dollar.

III. RESOURCE REQUIREMENTS

Staff and related costs

13. The requirements include the salaries and related costs in respect of the posts indicated in table 2 above, overtime and temporary assistance. The negative growth reflects the provisions made in the 1992-1993 budget estimates, which would no longer be required in 1994-1995, for the recruitment of a new Director for the Centre and the related repatriation costs of the Director ad interim.

Official travel

14. The estimates relate to travel to meetings of the Management Committee which are held outside Geneva; attendance at CCAQ and ACABQ sessions when the Centre's budget estimates are discussed; attendance at technical seminars; and visits to the headquarters of other participating organizations.

Contractual services

15. The estimated resources would be utilized for consultancy services carried out by a specialist for the Centre, auditor's fees and data entry services. In the expectation that most data entry and a number of major projects would be carried out by the staff of the Centre, a reduction is proposed.

Rental of equipment

16. The requirements under this heading relate to the rental and maintenance of computer and telecommunications equipment and include provisions for adequate back-up capabilities, interlinking of the processors and support of the air-conditioning system.

Purchase of equipment

17. Resources under this heading would provide for the acquisition of computer equipment such as terminals, system workstations; printers and telecommunications hardware such as modems, facsimile and telex machines. Since the basic equipment for ICC is now in place, negative growth is projected.

Miscellaneous office and computer supplies

18. The expenditures relate to computer paper, magnetic tapes and cartridges, microfilms and other miscellaneous computer and office supplies.

Accommodation

19. The expenditures relate to rental of office space and computing facility, including electricity costs and the maintenance of the physical environment required for the computer facilities. In view of real estate market conditions, ICC anticipates that, for the 1994-1995 biennium, expenditures related to the rental of office space would be reduced.

Telecommunications

20. The estimated resources would provide for the following: telephone, facsimile and telegrams and would cover the costs usage of external databases and other expenses. Prior to 1993, telecommunications costs were billed directly to the participating organizations based on usage and were not included in the ICC budget. As a result of the recommendation of CCAQ(FB) that telecommunications charges incurred by ICC on behalf of the participating organizations be included in the budget estimates of the Centre, resources under telecommunications have been included in the 1993 budget estimates of ICC. The resource growth reflects the biennial requirements for telecommunications required by the Centre.

Miscellaneous operating expenses

21. The estimated expenditures under this heading would provide for freight and mail charges and the operation and maintenance of vehicles required for the delivery of printouts to participating organizations and other users of the ICC facilities. Provisions for training and hospitality costs incurred during the Management Committee meetings are also included under this heading.

Software

22. The estimated requirements under this heading relate to software acquisition; licensing fees and maintenance charges; and third-party software charges. With the upgrade of the Centre's central processing units, which took place in 1993, additional expenditures related to licensing fees would be required during the 1994-1995 biennium.

Technical literature

23. The estimated expenditures would provide for the purchase of technical manuals, journals, books and expenses associated with the preparation of ICC training manuals, a user's guide and a directory of services.

IV. SUMMARY

24. Pending the revised estimates to be formulated by ICC on the nature and level of new activities to be provided by the Centre to the participating organizations and the decision that the participating organizations and their respective legislative bodies may wish to take on the revised funding for 1994-1995 for the Centre, the approval of the General Assembly is sought for the 1994-1995 budget estimates of ICC in the amount of SwF 36,142,600 (or $25,099,000 at an exchange rate of SwF 1.44 to the United States dollar). The current estimates reflect a negative growth of SwF 4,016,260. Should the 1994-1995 funding estimates increase as a result of action to be taken by the Management Committee at its next session and of the decision that CCAQ might wish to take in respect of those proposals, a revised estimate will be submitted to the General Assembly at its forty-ninth session.

25. The total estimates in respect of the share of the United Nations for the use of ICC (see table 3) during 1994-1995 are estimated at $5,639,100 at an

exchange rate of SwF 1.44 to the United States dollar. Provisions have been made for that purpose under section 26, Jointly financed administrative activities, of the proposed programme budget for the 1994-1995 biennium.